

DEPARTMENT OF INSURANCE

RATE SPECIALIST BUREAU
300 SOUTH SPRING ST, SOUTH TOWER
LOS ANGELES CA 90013-1230



January 16, 2001

TO: ALL INSURERS WRITING CHILD CARE LIABILITY INSURANCE
IN THE STATE OF CALIFORNIA AND OTHER INTERESTED
PERSONS

SUBJECT: ANNUAL REPORT OF CHILD CARE LIABILITY INSURANCE
STATISTICS PURSUANT TO SECTION 1864 OF THE CALIFORNIA
INSURANCE CODE

Attached hereto are the reporting forms for the captioned report for calendar year 2000. This report is due by **May 1, 2001**. You can also download the forms from the Department website at <http://www.insurance.ca.gov>.

Please note that we require carriers to file a separate report for family day care homes insured under a child care liability insurance policy and for family day care homes insured under an endorsement to the homeowners' policy. If an absolute figure is "not available" (i.e. policy count, number of providers insured, losses paid, etc.), please supply your best estimate and indicate so on the form.

If your company does not write child care liability or has no data to report, please fill out and return only Page 1 of the report form indicating that your company has no data to report. Please complete the forms and return them to our office by the due date. If you have any questions, please call my staff, Leticia Perry, at (213) 346-6749. Thank you for your cooperation.

Very truly yours,

George Yen
Chief, Rate Specialist Bureau

Fax #: (213) 897-6361

2000

CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT

(Section 1864 of the California Insurance Code)

GENERAL INSTRUCTIONS

1. Pursuant to Section 1864 of the California Insurance Code, this report is required of each insurer transacting insurance covering liability for child day care providers, licensed under the State Health and Safety Code Sections 1596.76, 1596.78, and 1596.79.
2. The amounts reported are to reflect only the business written in California. This report is to be filed on a company group basis with inter-company reinsurance transactions excluded. A separate report is to be filed for the total business of each insurance group for each type of child-care facility (e.g., family day care homes for children and child-care centers). For family day care homes, fill out separate reports on home insured under a liability insurance policy and homes insured under an endorsement to the homeowners' insurance policy.

All amounts to be reported are to be with respect to the "net direct premiums". "Net direct premiums" mean total direct premiums written on child care liability insurance in this state, including the liability portion of the multi-peril policies, less return premiums and any surplus premium deposits. "Net direct premiums" do not include reinsurance assumed or ceded.

3. If you are reporting data, please attach a copy of your company's Insurance Expense Exhibit (IEE) to this Report. If you are reporting on a group basis, please supply your group's Consolidated Insurance Expense Exhibit.

If your company did not write child care liability or has no data to report, complete only Page 1 of the report and return it to the Department.

4. Since the premiums and losses are reported herein on a direct basis, there is no need for this Report to be filed by reinsurers.
5. Completed forms are due by **May 1, 2001** and are to be mailed to:

**California Department of Insurance
Rate Specialist Bureau
300 South Spring Street, South Tower
Los Angeles CA 90013-1230**

Please call Ms. Leticia Perry at (213) 346-6749 if any questions arise regarding the completion or filing of this report.

2000

CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT

(Section 1864 of the California Insurance Code)

Submit a Separate Report for:

- ☐ Licensed Family Day Care Homes - insured under a separate child care liability policy
- ☐ Licensed Family Day Care Homes - insured under an endorsement to the homeowners' policy.
- ☐ Licensed Child Care Centers - insured under a child care liability policy of multi-peril policy.

Company / Group:

Address:

Contact Person/Title

E-Mail Address

Telephone No.:

(800 Number, if possible)

FAX No:

(800 Number, if possible)

Names of Companies within the group whose experience is included in the report:

Please check whatever is applicable:

- ☐ NO, Company / Group did not write child care liability insurance in 2000. No data to report.
- ☐ YES, Company / Group wrote child care liability in 2000. Data attached.

2000
CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT
 (Section 1864 of the California Insurance Code)

Names of reinsurers outside of the group to which part of the premiums and losses reported herein was ceded:

The business reported herein was written on a:

☐

Claims-made basis

☐

Occurrence basis

The business reported herein was written on a:

☐

\$100,000 / \$300,000 Split Limits OL&T Form

☐

\$300,000 CSL OL&T Form

☐

Homeowners' Endorsement (specify limits)

☐

Other (please specify the limits)

2000
CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT
 (Section 1864 of the California Insurance Code)

CALIFORNIA BUSINESS ONLY

Name of Company / Group: _____

- ☐ Family Day Care Homes (licensed for 1-6 children or for 7-12 children) - insured under a separate child care liability policy
- ☐ Family Day Care Homes - insured under an endorsement to the homeowners' policy.
- ☐ Licensed Child Care Centers (licensed for more than 12 children).

Section A ~ PREMIUM ~				
CALENDAR YEAR	Size of License or Center	[1] Number of Child Care Providers Insured	[2] Direct Premium Written	[3] Direct Premium Earned
2000	1 to 6 children			
2000	7 to 12 children			
2000	13+ children			
	TOTAL			

Section B ~ NUMBER OF CLAIMS ~					
CALENDAR YEAR	Size of License or Center	[1] # Claims Outstanding at Beginning-of-Year	[2] # of New Claims During the Year	[3] # of Claims Closed During the Year	= [1] + [2] - [3] # Claims Outstanding at End-of-Year
2000	1 to 6 children				
2000	7 to 12 children				
2000	13+ children				
	TOTAL				

2000
CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT
 (Section 1864 of the California Insurance Code)

CALIFORNIA BUSINESS ONLY

Name of Company / Group: _____

- ☐ Family Day Care Homes (licensed for 1-6 children or for 7-12 children) - insured under a separate child care liability policy
- ☐ Family Day Care Homes - insured under an endorsement to the homeowners' policy.
- ☐ Licensed Child Care Centers (licensed for more than 12 children).

Section C ~ CLAIMS PAID & INCURRED ~							
		Direct Losses Unpaid					= [1] + {[2a] + [2b]} - {[3a] + [3b]}
		[1]	[2a]	[2b]	[3a]	[3b]	
CALENDAR YEAR	Size of License or Center	Direct Loss Payments	- Current Year - Case Basis	- Current Year - IBNR	- Prior Year - Case Basis	- Prior Year - IBNR	Direct Total Losses Incurred
2000	1 to 6 children						
2000	7 to 12 children						
2000	13+ children						
	TOTAL						

Section D ~ SUMMARY ~							
		[1]	[2]	[3]*	[4]	[5]	[6]
CALENDAR YEAR	Size of License or Center	Direct Premium Earned	Direct Total Losses Incurred	Loss Supervision & Collection Exp. Inc.	Loss & LSC Exp [2] + [3]	Loss % [2] / [1]	(Loss + LSCE) % [4] / [1]
2000	1 to 6 children						
2000	7 to 12 children						
2000	13+ children						
	TOTAL						

* includes Defense, Cost Containment and Adjusting Expenses

2000
CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT
 (Section 1864 of the California Insurance Code)

CALIFORNIA BUSINESS ONLY

Name of Company / Group: _____

☐ Family Day Care Homes (licensed for 1-6 children or for 7-12 children) - insured under a separate child care liability policy

☐ Family Day Care Homes - insured under an endorsement to the homeowners' policy.

☐ Licensed Child Care Centers (licensed for more than 12 children).

Section E ~ SUMMARY OF POLICIES IN FORCE ~						
CALENDAR YEAR	Size of License or Center	[1] # of Policies In-Force at Beginning-of-Year	[2] # of Policies Written During the Year	[3] # of Policies Cancelled During the Year	[4] # of Policies Non-Renewed During the Year	[5] Policies In-Force at End-of-Year = {[1] + [2]} - {[3] + [4]}
2000	1 to 6 children					
2000	7 to 12 children					
2000	13+ children					
	TOTAL					

- Notes:**
1. Loss Supervision and Collection Expenses (LSCE) were formerly known as Loss Adjustment Expenses (LAE).
 2. Defense and Cost Containment Expenses (DCCE) were formerly known as Allocated Loss Adjustment Expenses (ALAE).
 3. Adjusting and Other Expenses (AOE) were formerly known as Unallocated Loss Adjustment Expenses (ULAE).
 4. $LSCE = DCCE + AOE$ (formerly $LAE = ALAE + ULAE$).

2000
CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT
 (Section 1864 of the California Insurance Code)

Section F

ALLOCATION OF EXPENSES AND INVESTMENTS

Submit a Separate Report for:

- ☐ Licensed Family Day Care Homes - insured under a separate child care liability policy
- ☐ Licensed Family Day Care Homes - insured under an endorsement to the homeowners' policy
- ☐ Licensed Child Care Centers - insured under a child care liability policy of multi-peril policy

Name of Company / Group: _____

2000

- A. **Total Direct Premium Earned**
 for the business indicated above:
[Child Care Liability --
*-- **California business only**]*

- B. **Total Direct Premium Earned**
 for all Business (all lines) written by
 the Company/Group
[Part III of IEE, Col [2], Line 32
*- All Lines - **Countrywide** data]*

- C. Ratio of A to B (A / B)
[Use this ratio for Column 2
on Page 7 (Part 3-B) and
Page 8 (Part 3-C)]

(Please extend the ratio up to 12 decimal points)

2000
CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT
 (Section 1864 of the California Insurance Code)

Section F
ALLOCATION OF EXPENSES AND INVESTMENTS

Section F-1 - E X P E N S E S

The following Countrywide Expenses should be taken from the **Insurance Expense Exhibit (IEE), Part III ("Direct" Business Written), Line 32.**

Note: Please ATTACH a COPY of your COMPANY / GROUP'S IEE with this report.

	[1] TOTAL COUNTRYWIDE EXPENSES <i>(from IEE, Part III)</i>	[2] Expense Allocated to Child Care Liability Insurance [Col [1] x C] <i>[Item C of Page 6]</i>
1. Commission & Brokerage <i>[Part III, Col [23], Ln 32]</i>	\$ _____	\$ _____
2. Taxes, Licenses & Fees <i>[Part III, Col [25], Ln 32]</i>	\$ _____	\$ _____
3. Other Acquisition, Field Supervision & Collection <i>[Part III, Col [27], Ln 32]</i>	\$ _____	\$ _____
4. General Expenses <i>[Part III, Col [29], Ln 32]</i>	\$ _____	\$ _____
5. Total UNDERWRITING EXPENSES: <i>[Total of Items 1 to 4]</i>	\$ _____	\$ _____ <i>Used in Page 9 (Section G, Line 4)</i>
<hr/>		
1. Defense & Cost Containment Expenses Incurred (*1) <i>[Part III, Col [9], Ln 32]</i>	\$ _____	\$ _____
2. Adjusting & Other Expenses Incurred (*2) <i>[Part III, Col [11], Ln 32]</i>	\$ _____	\$ _____

*1- formerly "Allocated Loss Adjustment"

*2 - formerly "Unallocated Loss Adjustment"

CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT

(Section 1864 of the California Insurance Code)

Section F**ALLOCATION OF EXPENSES AND INVESTMENTS****Section F-2 - I N V E S T M E N T S**

	[1] Total Investment as Reported in the ANNUAL STATEMENT (AS)	[2] Investment Allocated Child Care Liability Insurance [Col [1] x C] [Item C of Page 6]
6. Net Investment Income Earned (AS Page 4, Col 1, Ln 8)	\$ _____	\$ _____
7. Net Realized Capital Gains or (Losses) (AS Page 4, Col 1, Ln 9)	\$ _____	\$ _____
8. Net Investment Gain or (Loss) (AS Page 4, Col 1, Ln 9A)	\$ _____	\$ _____ <i>Used in Page 9 (Section G, Line 8)</i>
9. Total Invested Assets (AS Page 2, Ln 9, Col [4] of Current Year Section)	\$ _____	\$ _____
10. Total Invested Assets (AS Page 2, Ln 9, Col [5] of Prior Year Column)	\$ _____	\$ _____
11. Return on Current Year Invested Assets (Line 8 / Line 9)	_____ %	_____ %
12. Return of Average Invested Assets (Line 8 / {50% of the Sum of Ln 9 and Ln 10})	_____ %	_____ %

2000

CALIFORNIA CHILD CARE LIABILITY INSURANCE REPORT

(Section 1864 of the California Insurance Code)

Section G**UNDERWRITING INCOME OR LOSS - CALIFORNIA BUSINESS ONLY**

Submit a Separate Report for:

☐

Licensed Family Day Care Homes - insured under a separate child care liability policy

☐

Licensed Family Day Care Homes - insured under an endorsement to the homeowners' policy

☐

Licensed Child Care Centers - insured under a child care liability policy of multi-peril policy

Name of Company/Group: _____

CALIFORNIA BUSINESS ONLY**CURRENT YEAR - 2000****PREVIOUS YEAR - 1999**

1. Direct Premium Earned _____

2. Direct Losses Incurred _____

3. Loss Supervision &
Collection Expenses Incurred _____4. Total UNDERWRITING
EXPENSES INCURRED
(From Section F-1, Ln 5, Col 2) _____5. Others _____
(Please Specify) _____6. Total Underwriting Deduction
(Sum of Lines 2 to 5) _____7. Net Underwriting Gain / (Loss)
(Line 1 - Line 6) _____8. Net Investment Gain / (Loss)
(From Section F-2, Ln 8, Col 2) _____9. Net Income / (Loss) After Investment
(Lines 7 + 8) _____